

**House of Representatives
Commerce and Labor
Committee Meeting Schedule - Interim 2003**

DATE	TIME	LOCATION	COMMITTEE	SUBJECT	TYPE
August 13	All Day	Olympia	Full Committee	Manufacturing Partnership Update WIA Reauthorization	Work Session
September 18-19	TBA	Olympia	Full Committee	Workers' Compensation Update Cholinesterase Monitoring Report Limited English Proficiency	Work Session
November 12	All Day	Tacoma	Full Committee	Gambling and Lottery Issues Alcohol Impact Area Study Working Poor in Washington	Work Session
December 4-5	TBA	Olympia	Full Committee	Cholinesterase Monitoring Report Auditor Independence Report	Work Session

Project Title: Alcohol Impact Area

Priority:

Completion Date: December 31, 2003

Committee / Staff: Matt Cooper

Reference: Chapter 314-12 WAC

Other Resources:

Project Description: In 1999 the Liquor Control Board (Board) adopted rules on alcohol impact areas (AIAs). The rules defined an AIA as a geographic area within a city, town, or county that is adversely affected by chronic public inebriation or illegal activity associated with alcohol sales or consumption. The AIA also must be designated by ordinance of the government subdivision and recognized by resolution of the Board. The rules established an expanded local review process for liquor license applications and renewals inside AIAs, and allowed the Board, in specific circumstances, to restrict the off-premises sale of certain alcohol products inside an AIA. The rules require that one year after the Board recognizes the first AIA, a study of the effectiveness of the AIA rules would be conducted.

In December 2001 the Board designated the urban core of the City of Tacoma as the first AIA. As a result of the AIA designation, the Board banned the sale of thirty brands of high-alcohol, low price beer and wine products by liquor retailers located inside the AIA. In June 2003 the Board released its evaluation of the AIA in Tacoma.

During the 2003 interim, the Committee will hold one work session and possible public hearing to study AIAs in general and Tacoma's AIA in particular. The Committee will review the Board's evaluation of Tacoma's AIA, and discuss whether AIA restrictions are an effective means of addressing the problem of chronic public inebriation.

Project Title: Auditor Independence

Priority:

Completion Date: December 31, 2003

Committee / Staff: Chris Cordes

Reference: Laws of 2003, Chapter 290 (SHB 1211).

Other Resources:

Project Description: The state Public Accountancy Act does not specifically require certified public accountants or certified public accounting firms to be independent of entities they audit. Board of Accountancy (Board) rules, however, prohibit CPAs and CPA firms from having a financial interest in the entities they audit. Further, Board policy requires CPAs and CPA firms to avoid offering services where actual or perceived conflicts of interest exist.

On October 25, 2002, the Board established a process to review the Board's current independence rule and develop a draft independence rule. The draft rule is scheduled to be presented to the Board on July 26, 2003.

The federal Sarbanes-Oxley Act required the Securities and Exchange Commission to expand its rules regarding the independence of accountants from the companies they audit. These rules, adopted January 22, 2003, prohibit regulated accountants and firms from providing a wide variety of services that could result in conflicts of interest, including information technology, bookkeeping, financial systems design, personnel services, and legal services. The rules allow the provision of tax services.

In 2003 the Legislature enacted SHB 1211, which requires the Board to report to the Legislature on auditor independence by December 1, 2003.

During the 2003 interim, the Committee will monitor the Board's development of the draft independence rule and will hold a work session to receive the Board's report on auditor independence.

Project Title: Cholinesterase Monitoring

Priority:

Completion Date: December 31, 2003

Committee / Staff: Jill Reinmuth

Reference: Rios v. Department of Labor and Industries (2002); Laws of 2003, Chapter 255 (2SSB 5890).

Other Resources:

Project Description: In 1986, and again in 1991, farm workers engaged in mixing, loading, and applying pesticides asked the Department of Labor and Industries (Department) to adopt a mandatory blood testing program to monitor their cholinesterase levels. In 1993 the Department adopted rules recommending voluntary cholinesterase monitoring and mandating personal protective equipment. In 1997, following the issuance of a Technical Advisory Group (TAG) report, the farm workers filed a class action lawsuit against the Department. In 2002 the Washington Supreme Court issued its decision in Rios v. Department of Labor and Industries and ordered the Department "to initiate rule-making on a mandatory cholinesterase monitoring program for agricultural pesticide handlers." In 2003 the state Legislature enacted 2SSB 5890 requiring the Department and stakeholders representing agricultural employers and employees to report to the House Commerce and Labor Committee and the Senate Agriculture Committee on the rule making process.

During the 2003 interim, the Committee will hold at least one work session to receive these reports from the Department and the stakeholders.

Project Title: Gambling and Lottery Issues

Priority:

Completion Date: December 31, 2003

Committee / Staff: Matt Cooper

Reference: HB 2213 (2003); Laws of 2002, Chapter 349 (SSB 6560).

Other Resources:

Project Description: In 2003 the Committee discussed several proposals intended to generate revenue to help deal with the state budget deficit. For example, HB 2213 (2003) would have allowed the Lottery Commission to establish a multiple daily drawing lottery game (commonly referred to as five-minute keno). The Committee also monitored implementation of recent legislation intended to generate greater revenue such as the SSB 6560 (2002), which authorized the Lottery Commission to enter into agreements with other states to conduct the multi-state ("Mega Millions") game.

During the 2003 interim, the Committee will hold one work session to monitor the revenue projected from current gambling and lottery activities and review relevant business practices.

Project Title: Limited English Proficiency (LEP) Outreach

Priority:

Completion Date: December 31, 2003.

Committee / Staff: Jill Reinmuth and Chris Cordes

Reference:

Other Resources:

Project Description: Federal and state laws prohibit discrimination based on race, color, or national origin. Some advocates argue that these laws also prohibit restricting access to governmental services for persons with limited English proficiency.

During the 2003 interim, the Committee will hold one work session and possible public hearing on access to governmental services for employers and workers with limited English proficiency. The Committee will focus on agencies responsible for unemployment insurance, workers' compensation, and workplace safety. The Committee will review the steps that these agencies must take, and the efforts that these agencies have made thus far, to provide such access.

Project Title: Manufacturing Partnership Update

Priority:

Completion Date: December 31, 2003

Committee / Staff: Jill Reinmuth and Chris Cordes.

Reference: Laws of 2003, 1st Ex. Sess.,
Chapter 25, Section 226 (ESSB
5404); SHB 2164 (2003)

Other Resources:

Project Description: The 2003-05 operating budget includes a proviso establishing an advisory partnership on the Washington manufacturing sector as outlined in SHB 2164 and recommended in the report entitled "Manufacturing in Washington state, 1990-2002: Trends and Implications for the Industry and State." The eight members of the partnership include two representatives, one from each caucus of the House Commerce & Labor Committee. The partnership is required to study and make findings and recommendations related to the following aspects of Washington's manufacturing sector:

- The work force education and training needs of the manufacturing sector;
- The use of manufacturing skill standards to enhance work force development and human resources practices;
- The activities necessary to develop regionally strategic industry clusters; and
- Other issues identified by the partnership.

During the 2003 interim, the Committee will hold at least one work session to receive the report entitled "Manufacturing in Washington state, 1990-2002: Trends and Implications for the Industry and State," an update on the partnership's activities, and a report on the partnership's findings and recommendations.

Project Title: **Workers' Compensation**

Priority:

Completion Date: December 31, 2003

Committee / Staff: Chris Cordes and Jill Reinmuth.

Reference: Laws of 1997, Chapter 454
Section 211(8); RCW
43.33A.150(2)

Other Resources:

Project Description: The Committee will continue to monitor various industrial insurance issues and receive related reports from the Department of Labor and Industries and the State Investment Board. This oversight activity will include:

-- The Department's implementation of recommendations from the 1998 Joint Legislative Audit and Review Committee's workers' compensation performance audit; and

-- The Board's investment activities for the Department's accident, medical aid, and reserve funds.

Project Title: **Workforce Investment Act (WIA) Reauthorization**

Priority:

Completion Date: December 31, 2003

Committee / Staff: Jill Reinmuth and Chris Cordes

Reference: P.L. 105-220; EO 99-02; H.R.
1261 (2003).

Other Resources:

Project Description: In 1998 Congress enacted the Workforce Investment Act of 1998 (Public Law No. 105-220) to prepare youth, dislocated workers, and adults for entry into the labor force, and to provide for the planning, implementation, and ongoing oversight of a comprehensive state workforce development system designed to improve workforce training, employment, literacy and vocational rehabilitation.

In 1999 Governor Locke issued Executive Order 99-02 directing the Workforce Training and Education Coordinating Board to develop and maintain, in partnership with local workforce development councils, a state unified plan as described in the Act, and to take other steps to implement the Act.

Congress is now considering reauthorization of the Workforce Investment Act. H.R. 1261 has passed the House of Representatives, and has now been referred to the Senate Committee on Health, Education, Labor, and Pensions.

During the 2003 interim, the Committee will continue monitoring the reauthorization of the Workforce Investment Act, and its implementation in Washington.

Project Title: **Working Poor in Washington**

Priority:

Completion Date: December 31, 2003

Committee / Staff: Jill Reinmuth and Chris Cordes

Reference: Not applicable.

Other Resources:

Project Description: According to the Urban Institute, 14.7 percent of Washington residents may be characterized as the "working poor." These persons are living in a family with annual income less than 200 percent of the federal poverty line and where the average annual hours of work per adult is greater than 1,000 hours. The average working poor family's income is 41 percent above the federal poverty line. According to the federal Department of Labor, the majority of the working poor – three-fifths – are full-time workers. The state Department of Social and Health Services notes that the working poor need affordable housing, health insurance, child care, and transportation. Yet the state Employment Security Department reports that persons in lower-wage industries like accommodation and food services are the least likely to receive traditional benefits such as health insurance and retirement.

During the 2003 interim, the Committee will visit two communities to learn about the working poor in urban and rural areas, and on the west and east sides of the state. The Committee will examine the wage rates currently earned by low-wage workers, as well as the income levels necessary to achieve self-sufficiency and long-term economic security. The Committee will consider short-term needs such as food, housing, health care, child care, and transportation, as well as long-term needs such as retirement. Finally, the Committee will develop strategies for creating an economy that helps the working poor meet these needs.